

## Local Conditions Are Better; National Air Clears for Big Business

Local Companies Continue Their Progressive Production And Shipments Of Ore To Smelters—Most Are Utilizing Low Copper Times For Silver-Lead-Gold Production—England Agrees To Copper Contraband Only When Assigned To Enemy's Port

Copper Drops Through Twelve Cent Mark—Cause However Is Easily Traced And Bad Effects Not Anticipated—Little Trade In Copper Stocks—Markets Partially Open—Stockholders Losses—Mercury And Its New Opportunities On The Market

Local mines conditions continue in the same trend during the week just past as in the several weeks since the first curtailment of their forces, following the outbreak of war in Europe. Several daily additions are made to the forces of the various larger concerns. The actual development work of the past has been discontinued, but surface improvements, and some slight exploration and development underground, are being pushed as occasion may demand. Shipments of larger portions of silver-lead, silver-gold, and of about the same amount of copper ores continue.

Tests of the oil flotation process at the test mill are being increased with an ultimate aim of finding if this is not the better means of treating the ore of the great Sacramento Hill deposit. Following the announcement that the Old Dominion in Globe is almost ready to start their actual mine output through their newly installed oil process, and the announcement that Magna, at Superior, is increasing its flotation equipment, with the final statements that Inspiration has almost decided on this process and that Miami is anticipating its installation, especially for the handling of the slimes, increase the local interest in the possibilities of handling the ore through the oil separation scheme. In addition to the oil flotation tests several other processes and variations of processes are being tried out.

Local interest also attaches largely to the National Mines Congress which is scheduled to meet in Phoenix, December 7, 8, and 9, of this year. This meeting is the largest meeting of mining men and engineers held in the United States in the year, and is one especially interesting to all local men of the mining fraternity. Governor Hunt, following the policy set and approved by the congress, has named the delegates for this state.

Copper Queen at Bisbee will be represented by Walter Douglas; Calumet and Arizona is represented in the meeting by Captain John C. Greenway; Copper Queen at Douglas is to have L. D. Ricketts at the meeting; L. S. Cates will be on hand for Ray Con; Will L. Clark, of Jerome for the United Verde; B. Britton Gottsberger, of Miami, for Miami Copper company; C. E. Mills, of Globe, for the Inspiration Con.; Norman Carmichael, of Clifton, for the Arizona Copper company, and E. H. Horton, of Globe for the Old Dominion.

Mining men from all over the world will be in attendance on the meeting, and it is expected that it will be the largest gathering of the congress in its history. Last year there were more than 900 at the meetings in Denver. Phoenix Board of Trade is planning this year for the entertainment of some 1,100 or more.

For a time copper producers and especially those interested in securing a market for their product abroad were stirred during the past week by the declaration of England that copper was on the conditional contraband list. Shippers were immediately frightened from sending their supplies abroad, and applied to the government in one voice for some ready and immediate steps to be taken.

Almost immediately Secretary Bryan, in conference with the British ambassador, made arrangements where by copper will not be considered on the contraband list when it is consigned to neutral countries. Since a majority of the copper shipped in American bottoms since the opening of the war in Europe has been consigned to such ports, the mining and shipping men are now satisfied on this score, and will continue their shipments as in the past.

Copper exports for the last two days for last week were 3,245 tons. Most of the metal was shipped to Holland and Spain, a little going into Belgian ports.

Copper has broken through the twelve cent mark, cash sales having been reported in the New York and Boston markets for eleven and three-quarters cents. In cases sales at less than above have been quoted, some going almost as low as eleven cents, but these have been few and far between, and are hard to officially locate and determine. This is the lowest market price the red metal has reached since 1902, when the price suddenly dropped to bed rock.

The difficulty of financing extensions and new projects in these periods of stress, are primarily responsible for the sudden drop of the metal below twelve cents. The small home consumption in the face of the expected increased buying of manufacturers and producers, the lack of sufficient cash and market facilities in the United States, are the circumstances responsible for this sudden drop.

Authorities do not attribute the low price to anticipations of a still smaller market and to anticipations of lower prices. They argue that the market is bound to increase. They point to the fact that the countries of Europe are already buying extensively in the United States. They have placed in the past two weeks orders for 3000 motor trucks, and 100 tractors which will be taken out of this country. In addition they have ordered 25,000,000 horseshoes and 1,000,000 woollen blankets. They show where the reports from Germany state the government is using the telephone and telegraph wires from which to secure copper with which to manufacture their shells for their large guns.

Merchants cognizant with the fact that the market has unbounded opportunities to increase, surely, they argue, will not hold out from buying awaiting a further drop in the price of the red metal. On the other hand, they argue that those of the merchants who have the ready money or available credit will lay in their stocks for some time to come while the

## ODD LOOKING RUSSIAN MACHINE GUN INTERESTS GERMANS



This odd looking machine gun, captured from the Russians, greatly interested the soldiers and a group of Berlin on its arrival there. It is unlike anything in the German war equipment. Photo was taken in Berlin.

price is at its present low quotation, or as soon as there are indications of a rise in the price.

Predictions regarding the future of the market and the time when copper may be expected to start its inevitable rise to market prices are hazardous, owing to the present financial world and the course which the war in the great European theatre may take. However, financial, mining and other journals and all mining men are confident the next few weeks will see a turn for the better.

At present the surplus stocks are steadily increasing, and will continue to do so for at least the next two or three weeks, notwithstanding the curtailment of production. This is caused because two or three months must elapse before the curtailment at the mines is felt at the refinery.

The copper share situation, local and national, calls for little discussion, as there are few issues in which there has been much trading. However, several of the larger centers, including Boston, have, through their stock exchange committees, decided to permit tradings to limited extents, and on restricted basis. One of these restrictions limits the trading to stock listed at less than \$5.

As a bulk of the stocks listed in the concessions which the exchange committees have opened are mining stocks, much interest in the outcome of the experiment will be awaited among those interested in copper stocks. It is doubtful, however, if any broad demand or extensive dealing will develop in the rank and file of low priced coppers under the present conditions.

In connection with the stock transactions, Hayden, Stone and company, in their last weekly letter have issued a list of the larger companies together with their dividend reductions, showing the actual loss to the shareholders since the opening of the war, it follows:

Since the outbreak of the war in Europe the price of copper has declined to less than 12 cents a pound and most of the leading American producers have curtailed their output 50%. As a result there has been considerable dividend cutting among the copper mining companies. In fact, very nearly every large company whose stock is traded in on the New York or Boston Stock Exchanges, and which has had occasion to consider the matter of dividends since the first of August has ordered a reduction, with three exceptions—Utah Copper, Tennessee and Wolverine. Utah and Tennessee maintained their 33 rates unchanged, while Wolverine, after a lapse of a year and a half, resumed payments with a 32 declaration. This action on the part of Wolverine is not so strange as it may seem. The dividend was omitted in October, 1913, as a result of the Lake Superior strike, but during the first part of 1914 the company made a quick recovery in production and profits that some distribution to shareholders was no doubt justified.

We present below a table showing the annual losses to shareholders incurred by reductions to date:

Anacoda	4,662,500	\$2 to \$1	\$9,325,000
Calumet & Arizona	616,750	\$5 passed	3,083,750
Calumet & Hecla	100,000	\$20 passed	2,000,000
Chino	869,880	\$2 to \$2	869,880
Greene-Canaan	486,333	\$4 passed	1,945,332
Granby Consolidated	2,000,000	\$6 passed	800,000
Old Dominion	293,353	\$4 to \$1	880,059
Phelps-Todge	450,000	extra passed	2,700,000
Ray Consolidated	1,454,720	\$1.50 passed	2,182,080
Shattuck-Arizona	350,000	\$2 passed	700,000
United States Smelting com.	351,075	\$3 passed	1,053,225
			\$28,839,309

\*Figured at \$6. Company paid extra in 1913 of 26%, and during six months of 1914, 32.

Capitalized at 6%, this annual loss of \$28,839,309 represents about \$475,000,000 of capital which has become temporarily unproductive.

We can imagine no other event than a general war which would make necessary any such wholesale reduction of dividends. Nevertheless, there are, even now, some more or less redeeming features to the situation. Exports of copper, which ordinarily account for about 55% of the American output, are not now entirely cut off, although much diminished. It is, of course, natural to expect that the domestic consumption will fall off somewhat, but it seems as though exports and domestic consumption together should be able to take care of more than half of our normal production of

## ONE MAN DRILLS FAST REPLACING OLDER MACHINES

Lake Country Strike Issue Becomes Popular As Weight Of Machines Is Lessened—Jackhammer In Universal Use

The issue which was talked about generally through the Great Lakes strike of last year regarded the change from the heavy two-man drilling machine to the lighter one-man machine. The complaint generally was made on the weight of the one-man machines. More and more of the one-man machines are being introduced in the mines now and they are becoming lighter with each change. In fact the newest type, the so-called jackhammer, is so light that the possibility of complaint on the ground of weight is ridiculous. And the lightest jackhammers are making wonderful records in ground breaking.

Elbowak is using the smaller drills quite generally for opening work and is achieving satisfactory results.

### SUPERIOR

A new strike is reported in the Magma mine on the 1000-ft. level. The ore which has been crocked for over 5 ft. is said to carry 60% copper glance.

## Mine Show in Prescott Will Be Large One

Offers Opportunity To Small Mine Owner Who Would Demonstrate His Property—Sales Made By Exhibits

(By A. C. Gilmore, Prescott, Courier.)

On October 15th the Northern Arizona Fair will open in Prescott, and there is every indication that it will be as pronounced a success as it was last year. Gathered under one roof were the mineral exhibits from the northern counties. To the eye of the uninitiated visitor, they consisted for the most part of pieces of rock—just rock. Yet when he read the placards exposed over the displays made by the several counties he has told that "Mojave county has the largest gold mines in Arizona and the largest zinc mines in the west," while yet another banner proclaimed that—

"Yavapai county has produced:  
"Copper ..... \$125,000,000  
"Silver ..... 15,000,000"

Which made said visitor sit up and take notice. Even Rockefeller himself could doubtless be attracted by such figures.

All of which goes to show that the mineral resources of Northern Arizona are something worth while in fact, the copper of Yavapai and the gold of Mojave form not merely an important part of the assets of those counties, but are the commodities which return the most money to those counties. Navajo, also, while not boasting any great store of metals, has in its mines a quantity of which belongs in the mineral or miners' department—coal immense beds of it, greater by far than the veins at Gallup, from which Arizona and Colorado now draw much of their supply.

If such things are worth anything, they are worth telling about—and the Northern Arizona Fair affords the opportunity to do so. It will be the small mine owner's opportunity. This seems obvious for when exhibiting his wares, he has everything to gain and nothing to lose. A case in point: Nearly everyone in Northern Arizona knows of the Congress mine. It was the Tom Reed of the '90s. It employed hundreds of men for many years it produced, we are informed, about \$17,000,000, gross. Yet few know that it was a fair—the St. Louis Exposition—which was at least the direct cause of the purchase of the mine by Diamond Jo Reynolds, whose money, combined with the energy of Frank M. Mumphy, transformed a good prospect into a splendid mine. Diamond Jo did not know anything about Yavapai county, nor its ores, until he received an object lesson at the St. Louis Exposition. There are other Congress mines, other Tom Reeds, other silver ore as rich as that of the Cerbat range in Mohave, and other copper deposits as great as those already exploited and proven, and all they need is the publicity which brings to the knowledge of such men as Diamond Jo Reynolds the fact that this is a land of opportunity. All of the miners of all the northern counties, by visiting the fair, conferring, comparing notes, and "getting together" in the interest of all, could reap great benefit. It could, and should, be made the annual meeting place of prospecting, miner, mining engineer, mining promoter and mine operator. Men of all these classes gathered at the fair last year. They will doubtless appear in increased numbers this year. They learned, and will learn, much of each other's point of view, and of what the other fellow is doing and how he does it.

Manifestly a public place is the place to gain publicity—and the Northern Arizona Fair will be the most public place in the five counties on October 15, 16 and 17.

### RAY CONSOLIDATED

Operating at Half Capacity, at Little Increase in Cost a Pound

Ray Consolidated continues to operate at 50 per cent of capacity. The reduced basis has resulted in an increase in cost per pound.

This production rate will be maintained until the demand for copper shows improvement sufficient to warrant an increase.

It has been necessary to lay off some employees, but as far as possible the organization is being maintained on half time.